

PARTNERSHIP AGREEMENT

Section I. Purpose

This partnership is entered into by the United States Department of Labor, OSHA, and Producer's Rice Mill, Inc. (hereinafter Producer's Rice Mill, Inc.) and Arkansas Department of Labor - OSHA Consultation Division (ADOL), to enhance the safety and health protection for Producer's Rice Mill, Inc. employees through the implementation and continued improvement of comprehensive safety and health programs. At the appropriate time, OSHA will facilitate the application process for three (3) Producer's Rice Mill, Inc., sites in Stuttgart to apply for recognition in OSHA's Partnership Program.

The parties voluntarily enter into this partnership to establish cooperative relationships and to reduce the incidence of employee injuries and illnesses at Producer's Rice Mill, Inc. The parties acknowledge that voluntary cooperation is an effective means of achieving safety and health excellence through compliance with OSHA safety and health regulations and the implementation of an effective safety and health program. The parties also acknowledge that management commitment and employee involvement are central to the implementation of an effective safety and health program. Through this agreement, it is anticipated that lessons learned will work to improve worker protection at Producer's Rice Mill, Inc. corporate-wide.

Section II. Partnership Facility

This partnership will initially cover three (3) Producer's Rice Mill, Inc. facilities: Stuttgart Regular Rice Mill, Stuttgart Parboil Mill, and Stuttgart Dryer Divisions, 518 East Harrison, Stuttgart, Arkansas 72160.

Section III. Commitment of Partnership

Producer's Rice Mill, Inc. commits to work toward the implementation of effective safety and health programs based on OSHA's 1989 Safety and Health Program Guidelines printed in the Federal Register. Producer's Rice Mill, Inc. also acknowledges its obligation to abate OSHA violations as identified through the partnership.

OSHA, and the Arkansas Department of Labor will work with Producer's Rice Mill, Inc. employees to identify actions that will strengthen the Producer's Rice Mill, Inc. safety and health culture and safety and health programs.

Section IV. Operations Plan Overview

Partnership Steering Committee: A Partnership Steering Committee consisting of representatives from OSHA, ADOL and Producer's Rice Mill, Inc. (including one

or more corporate officials) will be formed. The Committee will oversee the management of the partnership by taking partnership milestones resolving conflict and issues; participating in regular conference calls; reviewing progress reports (quarterly Partnership Status Reports); etc. OSHA, and ADOL will serve in an advisory capacity to the Committee. See Appendix A for a list of Committee members.

In addition to participating on the partnership steering committee Producers Rice Mill, Inc. senior management will consistently demonstrate their commitment to the Partnership and will be responsible for taking appropriate actions at the partnership facilities to: 1) improve the safety and health culture; 2) ensure the correction of identified compliance and safety and health program issues; 3) provide ongoing support; 4) strengthen the management accountability system; and 5) continue to balance the competing pressures of production with safety and health commitments.

In addition to participating on the Partnership Steering Committee, Producers Rice Mill, Inc. Employee Safety Committees, Safety Director, and ADOL will conduct a base-line evaluation of the three (3) participating sites, identifying compliance issues and safety and health program gaps for correction.

Section V. Measures

the Partnership Steering Committee will determine the appropriate performance measures, content and format of the quarterly Partnership Status reports used to track partnership results. At a minimum, the performance measures will include baseline injury, illness, and lost workday case rates. In addition, specific upstream activity measures, e.g., number of hazards identified and corrected, will be identified and tracked by the management accountability system.

The partnering sites will prepare quarterly Partnership Status Reports (based on an established format) to discuss progress toward: 1) Identifying and correcting hazards, 2) meeting safety and health program criteria; and 3) achieving performance goals and measures. Producers Rice Mill, Inc. will assemble these report and submit them to each member of the partnership Steering Committee each quarter for their review. The partnership Status Reports will be discussed on quarterly conference calls. Program adjustments will be discussed on quarterly conference calls. Program adjustments will be made, as appropriate.

Section VI: Baseline and Mock VPP Evaluations

Producers Rice Mill, Inc. Employee Safety Committee, Safety Director, and ADOL will conduct an initial baseline evaluation of each participating site's safety and health program.

Section VII: Confidentiality

All Producers Rice Mill, Inc. documents provided to OSHA or ADOL in furtherance of this agreement will be considered as confidential commercial Product and Financial information unless otherwise indicated by Producers Rice Mill, Inc. Confidential commercial information, of Product and Financial of a kind not normally made public by Producers Rice Mill, Inc. will be withheld from further disclosure to the maximum extent permitted by federal requirements. Information submitted in furtherance of partnership participation will be used only to measure the effectiveness of the agreement. However, in the event of an OSHA, and/or ADOL inspection, OSHA and ADOL may request any safety information that is relevant and normally available during such an inspection, and Producers Rice Mill, Inc.

Section VIII Employee and Employer Rights

Nothing in this agreement shall be construed to preclude Producers Rice Mill, Inc. or any employee of Producers Rice Mill, Inc. from exercising any right provided under the Occupational Safety and Health Act, nor does it eliminate their responsibility to comply with any provision of the Act, or rules and regulations adopted pursuant to the Act.

Section IX. Terms

The partnership shall be in effect for five years with annual evaluations from the date of the signatures unless or until Producers Rice Mill, Inc., or OSHA notifies the other party of their intent to withdraw from the partnership. The partnership will dissolve in sixty (60) days following the receipt of withdrawal notice. Upon agreement of the parties, the partnership may be extended beyond five (5) years.

KEITH GLOVER
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Producers Rice Mill, Inc.

JOHN B. MILES, JR.
Regional Administrator
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JAMES SALKELD
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